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FM AMEMBASSY KABUL
TO RUEHC/SECSTATE WASHDC PRIORITY 6602
INFO RUEATRS/DEPT OF TREASURY WASHINGTON DC 0348
RUCNAFG/AFGHANISTAN COLLECTIVE
RUEHZG/NATO EU COLLECTIVE
RUEKJCS/OSD WASHINGTON DC
RUEKJCS/JOINT STAFF WASHINGTON DC
RUEKJCS/SECDEF WASHINGTON DC
RUEABND/DEA HQS WASHINGTON DC
RHMFIUU/HQ USCENTCOM MACDILL AFB FL
RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC
RUEAIIA/CIA WASHINGTON DC
RHEFDIA/DIA WASHINGTON DC
RUCPDOG/DEPT OF COMMERCE WASHINGTON DC
RUCNDT/USMISSION USUN NEW YORK 3719

UNCLAS KABUL 000755

SIPDIS

SENSITIVE
SIPDIS

DEPT FOR EB/ESC/TFN, SC/T, IO/UNP, SCA/FO, SCA/RA, AND SCA/A
NSC FOR AHARRIMAN
TREASURY PASS TO LMCDONALD, ABAUKOL, JCIORCIARI, AND ASHARMA
OSD FOR BRZEZINZSKI

E.O. 12958 N/A

TAGS: [EFIN](#) [KTFN](#) [PTER](#) [ETTC](#) [PREL](#) [AF](#)

SUBJECT: TERRORIST FINANCE - USG CONCERN OVER ILLICIT CASH
COURIERS

REF: STATE 16120

1.(SBU) In a February 11 meeting with Central Bank Governor Delawari, ECON Counselor emphasized the importance of implementing the Financial Action Task Force (FATF) standard and guidance for monitoring the cross-border transportation of illicit currency and other bearer negotiable instruments. After the meeting, we left paras 10-12 from reftel as a non-paper. Treasury Attach and visiting Treasury official Amit Sharma followed up on the issue on March 3.

2.(SBU) During the February 21 Strategic Partnership Prosperity Working Group meeting, the Central Bank Financial Intelligence Unit (FIU) Director briefed on the steps that his organization is undertaking to implement the FATF guidelines. Working with Customs at Kabul International Airport and airlines landing there, he advised that the FIU has implemented requirements that arriving passengers complete a cash declaration form and provide it to customs officials. USDEL leaders noted that they had completed the form upon arrival and applauded this important step. The FIU Director stated that the next step is to expand the program to Afghanistan's other airports and border crossing points.

BACKGROUND

3.(SBU) The Afghan anti-money laundering law, issued by decree in December of 2003, contains FATF Special Recommendation IX ("Cash Courier")-compliant provisions for currency reporting at borders. In July of 2006, a memorandum of understanding was signed by the DAB Governor and the Deputy Minister of Finance for Customs and Revenue. The MOU describes the respective roles and responsibilities of the two parties in implementing the relevant provisions of the law. As a result of the MOU, DAB and the Ministry of Finance have worked closely to deploy a declaration form and process. The initial prototype implementation has been targeted at Kabul International Airport. Training has been delivered on both the form and the process to airport customs and border police staff, as well as to airline representatives and Kabul-area travel agents. The prototype is currently operating in a full declaration mode (i.e. everybody has to make a declaration whether positive or negative) in an effort

to raise public awareness and to institutionalize the process. A voluntary declaration mode will begin after a period of ninety days has elapsed. So far, the system has not been implemented at land border crossings. Implementation at these points will depend largely upon the success of capacity building efforts. There is an effort currently underway to integrate the declaration system into overall planning for building border management capacity.

NEUMANN